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TAGS: ECON ETRD BEXP EINV LG
SUBJECT: RIGA'S FY2010 BFIF PROPOSALS

¶1. Summary: Embassy Riga welcomes EEB's effort to support non-FCS post business promotion and commercial training activities through the Business Facilitation Incentive Fund (BFIF) and proposes three FY2010 projects: travel and registration for the Commercial Specialist to attend the Electric Power 2010 trade show in Baltimore MD, May 18-20, which is included in the International Buyers Program; purchase of display materials and fees to establish U.S. presence at trade shows taking place in Latvia; and participation of Commercial Specialist in the FSI training course "Coal and Power" in Pittsburgh, Pennsylvania, July 19-23. End Summary.

¶2. Embassy Riga has already been contacted by the BFIF coordinator regarding regional training on CS activities. As this training is already being planned, it is not included in the following proposals. As a non-CS posts that has not received payments for commercial activities already undertaken under the State-Commerce MOU, Embassy Riga has not had funding to cover basic commercial activities such as attending trade shows. The current commercial specialist has never participated in a trade show and we hope to use BFIF funds to introduce him to this vital element of commercial activity.

IBP TRADE SHOW ATTENDANCE

¶3. Proposed Project 1: The ELECTRIC POWER 2010 trade show is a major energy event which in 2010 will be co-locating with FuturePOWER, an industry-wide event on innovative power solutions. The show has been included in the International Buyers Program and post is already beginning recruiting potential delegates in the local energy community. This show is part of the International Buyer Program. Sweden and Latvia have chosen this show for regional promotion and both will feature the show on their websites, coordinate promotional efforts, but do their promotions separately. Commercial specialist from Riga will assist both Swedish and Latvian delegates during the show and will be prepared to brief interested parties on both markets.

A) Justification: Travel to the trade show by the Commercial Specialist would allow him to learn about U.S. power product producers, brief them about business and investment opportunities in Latvia's energy sector, and develop a better understanding of major IBP trade show operations. Opportunities in this sector should expand dramatically in coming years as Latvia is aspiring to attain greater independence from foreign energy resources and expand its energy portfolio. Projects on the horizon include construction of a solid fuel (coal plus biomass) power plant, improvement of current electricity grid, upgrading of existing power generating units among other renewable energy related projects. Promoting energy security is also part of the Mission Strategic Plan.

B) Impact: The Government of Latvia is planning to announce a tender for the Coal fired power plant in the middle of 2010. The timing of the show would offer a good opportunity to connect U.S. firms to this process. In addition, increasing commercial specialists

understanding of trade show operations will improve post capacity to maximize impact of future IBP shows, whether simply recruiting or attending himself.

C) Planning Milestones:

January 2010: Post begins recruiting delegates from local energy industry.

March 2010: BFIF money is awarded. Potential attendees sign up for the show.

May 2010: Travel to Baltimore, MD to attend the Show.

D) Estimated Costs: Transportation: USD 3000, Hotel, Meals and Incidental Expenses: USD 1400, Ground Transportation USD 100. Total Requested: USD 4500.

E) Point of Contact: Political/Economic Officer Matthew Stokes, phone: 371-6703-6287, fax: 371-6782-0047, email: stokesmr@state.gov, Commercial Specialist Guntars Vicmanis, phone: 371-6703-6291, fax: 371-6782-0047, email: vicmanisg@state.gov

Trade Show Materials

¶4. Project Proposal 2: Establish U.S. Presence at Latvian Trade Shows. Embassy Riga has not participated in local trade shows in recent years. BFIF funding could "seed" our local-trade show program with costs of display materials and start-up costs to recruit participants for first trade shows. The easiest point of entry would be the Riga Food Expo, a regional trade show for food and restaurant industries. Post anticipates expanding to other trade shows in the future, but U.S. business presence in the region makes the Food Expo an attractive initial target.

A) Justification: Attending trade shows is one of the fundamentals of a successful export promotion strategy. While it is challenging for the Embassy to increase awareness in the U.S. of the small Latvian market, providing a push for companies already active or interested in the market also holds potential to increase exports.

B) Impact: While this is unlikely to have rapid and immediate effect on exports, we believe that it can give a modest boost to some companies that are already distributing products in Latvia. More importantly this will lay the groundwork for an expanding presence at trade shows, working with a growing array of American companies to increase exports and bring new products to Latvia.

C) Planning Milestones:

March 2010: BFIF money is awarded, recruitment of potential participating companies begins;

May 2010: Design of display materials and brochures for trade show booth.

June 2010: Printing of materials.

September 2010: Trade show.

D) Estimated Costs: Registration and space rental: USD 1000; Materials USD 1000. Total requested: USD 2000.

E) Point of Contact: Political/Economic Officer Matthew Stokes, phone: 371-6703-6287, fax: 371-6782-0047, email: stokesmr@state.gov, Commercial Specialist Guntars Vicmanis, phone: 371-6703-6291, fax: 371-6782-0047, email: vicmanisg@state.gov

Project 3: Training

A) Justification: Post has identified the energy sector as one of

the industries with continued potential for investment despite the economic difficulties facing Latvia. It is one of the industries for which we receive the greatest number of inquiries from both Latvian and American companies. Furthermore, increasing energy security is a key policy goal in response to Latvia's current reliance on gas imports from Russia.

B) Planning Milestones:

March 2010: BFIF money is awarded.

April 2010: FSI confirms participation of Commercial Specialist in the training.

July 2009: Participation in the training.

C) Performance Metric: Improved Commercial Specialist's understanding of emerging technologies in the U.S.coal and power industry, and increased ability of Commercial Specialist to represent a wide range of USG commercial, economic and environmental issues related to energy sector and to respond to inquiries quickly and helpfully.

D) Estimated Costs: Transportation: USD 2900, Hotel, Meals and Incidental Expenses: USD 1200, Ground Transportation USD 100. Total Requested: USD 4200.

E) Point of Contact: Political/Economic Officer Matthew Stokes, phone: 371-6703-6287, fax: 371-6782-0047, email: stokesmr@state.gov, Commercial Specialist Guntars Vicmanis, phone: 371-6703-6291, fax: 371-6782-0047, email: vicmanisg@state.gov

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